

Required Report - public distribution

Date: 7/7/2009

**GAIN Report Number:** MU9001

### **Oman**

## **COUNTRY FAIRS REPORT**

# **FAIRS Country Report**

**Approved By:** 

**David Williams** 

**Prepared By:** 

Mohamed Taha, Simon Manoukian

#### **Report Highlights:**

Sections Updated: Food Laws, Labeling Requirements, Packaging and Container Regulations, Pesticide and Other Contaminants, Other Regulations and Requirements, Import Procedures, Government Regulatory Agency Contacts

#### **Section I. Food Laws:**

**DISCLAIMER:** This report has been prepared by the Agricultural Trade Office of the USDA/Foreign Agricultural Service in Dubai, UAE, for U.S. exporters of domestic food and agricultural products. While every possible care has been taken in the preparation of this report, the information provided might be dated, as some import requirements are subject to frequent change. It is highly recommended that U.S. exporters ensure that all necessary customs clearance requirements have been verified with local authorities through the Omani importer before sale conditions are finalized. Final import approval of any product is always subject to the rules and regulations as interpreted by the country of import at the time of

product entry.

#### **GCC-Wide Developments**

The Sultanate of Oman is a member of the Gulf Cooperation Council (GCC) that also includes Bahrain, Kuwait, Oman, Qatar and Saudi Arabia. ATO Dubai covers Bahrain, Kuwait, Oman, Qatar and the United Arab Emirates (U.A.E.), known as GCC-5 for the purposes of this report.

**Food Standards:** The Gulf Standards Organization (GSO) is comprised of senior standards officials from the six GCC member countries and is responsible for developing food and other standards in the GCC. The GSO food standards committee has been actively updating food standards over the past few years. Based on the WTO notifications that have been reviewed thus far, the committee is working to harmonize existing standards with the guidelines of the Codex Alimentarius and other international organizations. However, in some cases, differences still exist between some of the proposed new standards and existing international guidelines.

In theory, each GCC member should notify the WTO of a proposed new standard. However, typically one or two member countries submit the notification. Consequently, interested parties who review these notifications should bear in mind that, while a notification may be submitted by a single GCC member, the proposed standard will eventually apply to all GCC member countries. Once a new standard is approved by the GSO food standards committee, each member country should officially adopt the standard, thus making it a domestic standard as well as a GSO standard.

In June 2007, GSO members approved two new standards for food shelf life and labeling standards. They replaced old versions that were disputed among GCC member countries as well as other foreign countries. The new standards bring the GCC into closer compliance with the guidelines of Codex Alimentarius and, for the most part, offer more flexible requirements for importing foods from foreign markets. GCC-5 countries except Bahrain, have officially adopted these new standards as domestic standards. Bahrain is applying the standards on a provisional basis pending official approval.

The GSO has created subcommittees to follow-up on other issues related to food.

- 1. Bio-technology subcommittee that is chaired and hosted by the UAE
- 2. Labeling subcommittee that is chaired and hosted by Oman.
- 3. Additives subcommittee that is chaired and hosted by Saudi Arabia

The GSO also, when the need arises, forms working groups to address specific issues. A working group has developed two draft Halal standards. The first standard outlines general Halal requirements and was notified to the WTO by Bahrain. The second standard outlines requirements for approving foreign centers, certifications and Halal labeling.

The GCC countries are currently working to update their food additive regulations. This new project will consolidate all Codex standards addressing all types of food additives (colors, sweeteners, emulsifiers, etc.) into one GSO standard. This project is expected to be complete within a year.

**Customs and Tariffs:** In January 2003, the "GCC Unified Customs Law and Single Customs Tariff" (UCL) was released. The UCL established a unified customs tariff of five percent on nearly all processed food products. Under the UCL, live animals, fresh fruits and vegetables, some seafood, grains, flour, tea, sugar, spices and seeds for planting are exempt from tariffs. It

also established a single entry point policy. In other words, a product entering any GCC member market would pay the appropriate duty only at point of entry and would then be permitted duty free transit among GCC member countries. In practice, this policy is employed only with unopened containers transshipped between GCC markets. Partial shipments tend to be subject to the five percent import duty again in the country of destination. However, it is expected that all goods, even partial shipments from opened containers, will eventually receive single-entry treatment once customs procedures are fully unified within the next few years.

**Food Import Procedures:** During 2007, the GCC Food Safety Committee developed a "Guide for Food Import Procedures for the GCC Countries." This guide is meant to unify the applied procedures for clearing food consignments as well as unifying the required import certificates for different types of foods. The intent is to help facilitate the movement of food products within the GCC once customs unification is fully implemented. GCC member countries have decided to postpone the application of the guide to ensure that it complies with the guidelines of international organizations such as Codex Alimentarius, World Animal Health Organization and International Plant Protection Consortium.

#### **Oman Developments**

The Sultanate of Oman has adopted the revised GSO Standard 9/2007 for Labeling and GSO 150/2007 for Shelf Life. The Directorate for Specifications and Measurements, Ministry of Commerce and Industry (MOCAI), is responsible for formulating food safety regulations and standards. Regulations become law by official decree issued by the Minister of Commerce and Industry. Usually, a grace period of up to six months is granted prior to enforcement of new regulations.

Regulatory enforcement of food products is divided between the Ministry of Agriculture and Fisheries (MAF), the Ministry of Health (MOH) and the various municipalities within the Sultanate of Oman. MAF is responsible for inspection of live animals and plants, red meats, poultry meat, agricultural materials, timber, grains, fresh fruits, fresh vegetables and other unprocessed agricultural products at all points of entry into the country. The Health Quarantine Department, MOH, is responsible for inspection of imported semi- and fully-processed food products, including sugar. Local government or "municipalities" may post officials at ports of entry, but their role in inspection of imported foods is very marginal. The municipalities are primarily involved in the regulation of food through the inspection of products available in local wholesale and retail markets.

Compliance disputes are settled by a committee comprised of representatives from the MAF, the Standard and Measurements Directorate of the MOCAI, the MOH, the Chamber of Commerce and appropriate municipality bureaus. Trade contacts report that consignments rejected for minor labeling and other infractions may be granted a one-time waiver provided the product is found to be safe for human consumption. To facilitate product entry, the U.S. supplier is strongly encouraged to work closely with the local importer or agent to obtain pre-clearance approval for labels, particularly for new-to-market products, and to ensure that the U.S. product complies with local food regulations.

Oman implemented a free trade agreement with the United States in January 2009. Products imported from the United States and remaining in Oman are exempt from the five percent GCC tariff.

#### **Section II. Labeling Requirements:**

Oman adopted the newly developed standards GSO 9/2007 and GSO 150/2007 for labeling and

shelf life. Food labels must include the following information, in Arabic, on the original label or primary packaging:

- Product and brand name
- Country of origin
- Ingredients, in descending order of proportion
- Additives, if any
- Origin of animal fat (e.g., beef fat), if applicable 1/
- Net content in metric units (volume in case of liquids)
- Production and expiry dates
- The name and address of the manufacturer, producer, distributor, importer, exporter or vendor shall be declared on the label
- Special storage, transportation and preparation instructions, if any.

1/ Animal fat should be sourced only from Halal slaughtered animals.

Products shipped in bulk must meet GSO labeling requirements and must be accompanied by small, easy-to-handle samples for possible laboratory verification. For example, edible oils imported in bulk must be accompanied by a small (one liter) sample of the product. The sample container must contain a label that meets all labeling requirements.

Bilingual labels are required, provided one of the languages is Arabic (e.g. Arabic/English). Arabic language stickers are permitted in lieu of the original Arabic or bilingual label provided the sticker:

- Complies with all labeling requirements and is applied by the manufacturer.
- Does not conceal required information on the original label.
- Does not contradict information on the original label.
- Is extremely difficult to remove.

If a consignment arrives without an Arabic label, the Ministry of Commerce may waive this requirement on a one-time basis or it may request that the importer add Arabic language stickers on the package before releasing the product. Products imported specifically for the hotel, restaurant and institutional sectors may be exempted from the Arabic label. Always confirm with your import agent before shipping.

Perishable products such as eggs and dairy products that have a shelf life of three months or less must carry both dates of production and expiry. Minimally processed products such as rice, dry beans, and grain with shelf lives greater than three months are allowed to only carry a production date. Dates must be engraved, embossed, printed or stamped directly onto the original label or primary packaging at time of production, using indelible ink. "Sell by", "best before" or "use by date", are also acceptable formats in lieu of expiry date. Stickers with date stamps imprinted are not accepted. While technically these dates must be printed in Arabic, dates printed in English or English/Arabic are accepted. If printed in multiple languages, the date must be the same. Any discrepancy in the date will lead to rejection of the product/shipment.

Bar coding is not permitted in lieu of expiry dates. Dates must be printed in the following order, as determined by the shelf-life of the product, in either digit or text format:

- Day/month/year for products with a shelf-life of 6 months or less

- Month/year for products with a shelf-life longer than 6 months

Specialty food product labels, for items such as diet, health and infant foods, must contain detailed ingredient information (vitamins, minerals, supplements, additives including food colorings, preservatives, etc.), nutritive value per 100 grams, health warnings if any and instructions for proper use and storage. The U.S. nutritional panel is permitted. Baby foods must be inspected and approved by the Medicine Control Section, MOH. U.S. suppliers should verify with the import agent if an import permit is required for the particular specialty food shipment.

Bulk or institutional-sized containers must comply with labeling requirements. P/E dates are not required for certain products, including fresh fruits and vegetables as indicated by OS 246/1993. However, importers will often request that production date information be included on the product. Expiry dates are not required for products deemed to be extremely shelf-stable such as salt and sugar. Products arriving clearly marked, as samples not intended for sale, are exempt from label regulations.

#### **Section III. Packaging and Container Regulations:**

General requirements for packaged special foods are covered under GS 654/1996, GS 839/97, and GS 1024/2000). Boxing for fresh fruits and vegetables is regulated under GS 124/1990.

#### **Section IV. Food Additives Regulations:**

In general, Oman accepts any food or coloring additive approved by the Codex Alimentarius, even those additives that are not listed in GS 23/1998. Under GS 23/1998, the common name and index number of color additives contained in a product must be noted on the label. European "E" numbers are permitted. (See Appendix A for a list of approved color additives).

#### **Section V. Pesticides and Other Contaminants:**

Oman follows GSO 382/1994 for "Maximum Limits of Pesticide Residues in Agricultural and Food Products - Part I" and GSO 383/1994 for "Maximum Limits of Pesticide Residues in Agricultural and Food Products - Part II". Codex Alimentarius standards are used as guidelines. The Ministry of Agriculture and Fisheries monitors for residues.

Oman will recognize a non-listed color or color additive if approved under Codex or other International Standard.

#### **Section VI. Other Regulations and Requirements:**

All food consignments must be accompanied by:

- 1) A health certificate issued by the appropriate government agency in the country of origin that attests to the product's fitness for human consumption. Both an Arab Chamber of Commerce and the Oman Embassy or Oman Consulate in the United States, must notarize this certificate. If the latter is not present, another Arab diplomatic mission is acceptable.
- 2) A Halal slaughter certificate issued by an approved Islamic center in the country of origin for all meat and poultry products. Both an Arab Chamber of Commerce and the Oman Embassy or Oman Consulate in the United States, must notarize this certificate. If the latter is not present, another Arab diplomatic mission is acceptable.

Poultry products are randomly tested for salmonella. Omani guidelines allow for a maximum tolerance of salmonella in 20 percent of the samples tested.

While alcoholic beverages are restricted to eight import-licensed companies, only two

companies are licensed for retail. Non-alcoholic beer requires an import license issued from the MOCAI and mandatory testing at point-of-entry.

Pork and pork product can be imported, but are subject to a 100 percent tariff. Pork and pork products must be sold in a separate section of the retail outlet that is headed with a sign "Pork products, not for Muslims".

No special packaging or container size requirements exist for food products. Radiation and dioxin-free certificates are not required for U.S. origin foods. Oman does not have any regulation governing the importation of irradiated food products, but such products have encountered problems at Custom entry points in the past.

Municipality food inspectors randomly check food products in wholesale and retail markets regardless of origin. In addition to a visual label inspection, a sample may be analyzed to verify the accuracy of the label versus actual product content. If a discrepancy is found, the product is removed from the market and destroyed at the supplier's expense. If the infraction is severe, i.e., the label does not identify a pork ingredient or is intentionally altered or falsified, the product may be banned from the market for a specified period of time, usually six to twelve months.

#### **Section VII. Other Specific Standards:**

Food samples - No special requirements exist. Samples destined for food shows and other types of promotional events are exempt from local label and shelf-life regulations. Samples must be accompanied by health certificates and invoices that state the products are not for sale and are of no commercial value.

Infant, diet and health foods – No special regulations govern importation. Such products must comply with labeling regulations. Baby foods must be registered at the Ministry of Health who will issue an import permit for every shipment prior to Customs clearance.

#### **Section VIII. Copyright and/or Trademark Laws:**

Oman Ministerial Decree No. 38/2000 gave legal recognition of international copyright laws and legal protection on trademarks. The Ministry of Commerce is responsible for brand registration, which usually can be completed in a short time.

In 1996, an agency decree was issued that permitted the importation of food products by importers other than the registered agent. Oman permits parallel imports.

#### **Section IX. Import Procedures:**

The Port of Sultan Qaboos in Muscat is Oman's main port. In recent years, the port has invested in infrastructure expansion and modernization, particularly at the container terminal. Port inspection services (foods and customs) are improving with the average time required to clear food consignments to 1-2 hours.

The Port of Salalah is undergoing a major expansion and development program. This port facilitates Oman's trade to Yemen and other East African countries. The Port of Sohar, the country's third largest port, is also undergoing a rapid expansion and hopes to capitalize on its proximity to other GCC markets.

Import documentation required for food items includes:

- Commercial invoice

- Packing list
- Bill of Lading
- Health certificate (see section VI, must be notarized)
- Halal slaughter certificate for meat and poultry products (see section VI, must be notarized)
- Certificate of Origin
- Import permit from the respective Ministry

The MAF issues import permits for agricultural products under its jurisdiction - live animals and plants, red meat, poultry meat, agricultural materials, timber, grains and other unprocessed agricultural products.

No appeal process exists for food products rejected as unfit for human consumption. Rejected consignments must be destroyed or re-exported.

Products rejected for minor labeling infractions may be allowed entry upon appeal. New-to-market and ethnic food products are normally allowed entry on a one-time basis, despite minor labeling infractions.

P/E date related infractions (i.e., missing production and expiry dates, dates printed in the wrong order and dates printed on stickers rather than original labels) normally result in rejection of the product. Disputed products may be stored at the port of entry or under bond outside the port until a final resolution is reached.

Arabic language labeling is required. However, the Ministry of Commerce will allow the importer to add Arabic language stickers to the label to permit the sale of the product.

Processed or value added food products are subject to a five percent import duty, ad valorem CIF basis. Pork and pork products, alcoholic beverages and dried lemons are assessed a 100 percent import duty. Bananas and edible oils in retail pack are levied a 25 percent protective tariff while dates are assessed a 20 percent tariff. GCC-origin products are exempt from all import duties. Oman has signed a free trade agreement with the United States. Imports of nearly all U.S. products are duty free provided the products stay in Oman.

# Appendix I. Government Regulatory Agency Contacts: Sheikh Saud bin Nasser Al Khusaibi, Director General

Directorate of Specifications and Measurements Ministry of Commerce & Industry P.O. Box 550, Postal Code 113 Muscat, Oman (968) 24 815- 992 om

#### Mr. Saleh Al Zadgali, Director of Specifications

Directorate General for Specifications and Measurements Ministry of Commerce & Industry P.O. Box 550 - Postal Code 113 Muscat, Oman Fax: (968) 24 815- 992

1

#### Mr. Sulaiman H. Al Yahmadi, Director

Health Quarantine

Ministry of Health P.O. Box 393 - Postal Code 113 Muscat, Oman

Fax: (968) 24 602-161

#### Eng. Ali Al Kulaibi, Director General

Animal Wealth Department Ministry of Agriculture P.O. Box 467 - Postal Code 113

Muscat, Oman

Fax: (968) 24 696-271

#### Eng. Said Darwish Al-Alawi, Director General

Health Control Ministry of Regional Municipalities & Water Resources P.O. Box 461 – P.C. 112 Muscat, Oman

Tel: (968) 246-92564 Fax: (968) 24 692-547

E-mail: <a href="mailto:dghc@mrmewr.gov.om">dghc@mrmewr.gov.om</a>

#### Mr. Haitham Khalfan Al-Akhzami, Director of Food Monitoring

Health Control
Ministry of Regional Municipalities & Water Resources
P.O. Box 461 – P.C. 112
Muscat, Oman

Tel: (968) 246-04418 Fax: (968) 24 692-547

E-mail: <u>alakhzami1@yahoo.com</u>